

## **HD 420—RENTAL HOUSING DEVELOPMENT FINANCE (January 8-12, 2007)**

The second course in the HDFP Certification Program™, *HD 420* takes a detailed look at the analysis, financing and development of affordable rental housing. In this five-day course, participants learn the underwriting criteria used by lenders and the rates of return demanded by private equity investors in order to determine their investment in a rental housing project. This course also explores the methods practitioners can utilize to attract the maximum amount of private capital to rental housing projects as well as the techniques to fill financing gaps with public resources. Specific topics include:

### ***Rental Housing Development Process***

- key actors and their concerns
- steps in the development process

### ***Financial Projections***

- pro forma income and expense analysis
- sources and uses of funds

### ***Private Sector Financing***

- permanent lender ratio analysis
- construction lending
- construction management

### ***Appraisals***

- three approaches to value

### ***Tax Credits***

- Historic Rehabilitation Tax Credits
- Low-Income Housing Tax Credits

### ***Discounted Cash Flow Analysis***

- present value theory
- internal rate of return

### ***Syndication***

- pricing benefits
- investor concerns
- partnership issues

**Prerequisite:** While not required, NDC recommends that individuals complete the *HD 410* course before taking *HD 420*.